

IN THE  
INDIANA TAX COURT

NO.49T10-9309-TA-70

TOWN OF ST. JOHN, <i>et al.</i> ,	)
	)
Petitioners,	)
	)
v.	)
	)
DEPARTMENT OF LOCAL GOVERNMENT	)
FINANCE as successor to the	)
STATE BOARD OF TAX	)
COMMISSIONERS,	)
	)
Respondents.	)

**MONTHLY REPORT 27**

As successor to the State Board of Tax Commissioners, this is the twenty-seventh monthly report of the Department of Local Government Finance ("DLGF") under the Court's order dated May 31, 2000, 729 N.E.2d 242,247. The report explains the DLGF's activities during August 2002 to implement the Court's order. An outline of those activities is included as Exhibit A.

*Lake County Reassessment*

On August 21, DLGF staff met at the CLT Lake County office with representatives of Crowe-Chizek, CLT and Manatron to discuss the status of the Lake County reassessment. They provided updated figures on data collection. Regarding

residential and agricultural data collection for Lake county: 9,794 parcels were collected during July for a total of 28,639. CLT had projected that 39,300 would be collected by the end of July, so the backlog continues. Commercial and Industrial data collection is also behind. 683 parcels were collected during the month of July, for a total of 951, although 6,750 had been projected. Data entry also is not on schedule because the computer equipment and data have only recently been installed.

CLT is in the process of hiring temporary employees to do input in order to address the backlog. Manatron has been conducting training of CLT personnel on data input and hardware familiarization at CLT's facility. All equipment and software have been installed.

The DLGF has found that some officials in other counties believe that Lake County has an additional year to perform reassessment. On the contrary, Lake County is bound by the same requirement as all other counties: the reassessment is for the March 1, 2002, lien date. The contract with CLT, however, provides that values may not be available for the entire county until August or September 2003. This situation may mean that notices of reassessment will be mailed in October and only one tax bill will be sent to Lake County taxpayers, payable in November 2003, but that bill will be on the reassessed value.

#### *Arthur Andersen Litigation*

On August 23, 2002, the DLGF was served with a lawsuit filed by Arthur Andersen concerning the terminated contract for reassessment services in Lake County. The suit was filed in Marion County Superior Court.

### *Budgets, Rates and Levies*

DLGF staff spent time in August 2002 determining the effects of HEA 1001ss on the budgeting and assessing process for 2002 pay 03. The changes are wide-ranging and exceedingly complex, especially the tax increment financing provisions. While not directly related to reassessment, it is essential to provide timely advice on these tax-restructuring provisions, as they must go into effect for 2002 pay 03.

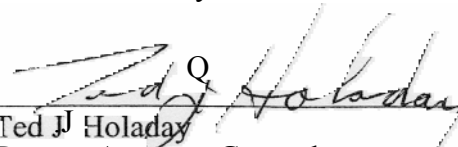
The DLGF understands that there are several counties that will not be able to meet the usual statutory dates for budget certification. The DLGF continues to advise county officials to work diligently to implement the changes resulting from REA 100 1ss and to complete the reassessment process in a timely manner. Late certification of budgets, loans from the Indiana Bond Bank, and delayed bills to taxpayers may be options for these counties, given that the budgets and tax rates for 2003 must be based upon the 2002 reassessment assessed values.

### *County Surveys*

DLGF staff is compiling surveys on the status of reassessment in the counties. The results of these surveys have not been compiled as of the date of this report. Upon completion, that information will be filed to supplement this report.

Respectfully submitted,

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